

## Network Services

### DESCRIPTION OF MAJOR SERVICES

Information Services' Network Services Division provides communication and infrastructure services to the county. The division provides for the design, operation, maintenance and administration of the largest county operated telecommunications phone network in the country with approximately 20,000 telephones in service, the county's Regional Public Safety Radio system that integrates all countywide police, sheriff, and fire radio dispatch capabilities, the paging system consisting of over 7,000 pagers and the county's microwave transport network consisting of 64 separate sites.

The Network Services budget unit is an Internal Service Fund (ISF). As an ISF any unrestricted net assets available at the end of a fiscal year are carried over to the next fiscal year and are used as working capital and for replacement of fixed assets. Any excess or shortage is incorporated into the rates structure.

### BUDGET AND WORKLOAD HISTORY

	Actual 2003-04	Budget 2004-05	Actual 2004-05	Budget 2005-06
Appropriation	14,608,634	16,379,146	17,490,016	16,924,719
Departmental Revenue	17,448,781	16,379,146	17,077,134	16,924,719
Revenue Over/(Under) Expense	2,840,147	-	(412,882)	-
Budgeted Staffing		93.0		93.0
Fixed Assets	912,288	2,106,886	627,582	1,855,407
Unrestricted Net Assets Available at Year End	2,121,987		3,993,398	

#### Workload Indicators

Service Calls	19,667	19,500	20,454	20,000
Radios	9,397	9,500	9,533	9,500
Telephones	19,398	19,500	20,240	19,500
Circuits	1,183	1,200	1,196	1,200

In 2004-05 expenditures are more than budget due to higher purchase of materials and communication repair parts necessary to provide higher service levels than expected for the 800-megahertz (Mhz) radio access/maintenance service to outside customers. Departmental revenue is more than budget due to an increase in outside county service contracts for radios, pagers and Wide Area Network Access, which was offset by lower telephone long distance usage and reduced services telephone parts sales and electronic maintenance. Another notable changes is the loan of \$1,000,000 from the unrestricted net assets to the Special Project Fund for start up costs for the 800 MHz Radio Communications System Channel Rebanding Project. Nextel Communications Inc will reimburse all costs related to the 800 MHz project.

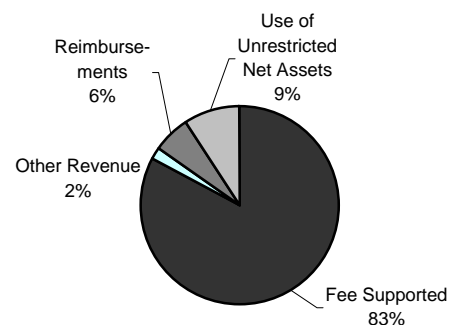
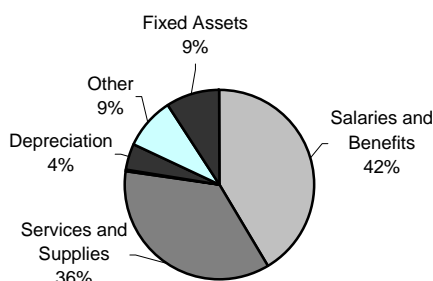
The increase in 2005-06 expenditures is primarily related to the communications repair parts required to maintain Network Services communication systems; systems development charges due to the replacement of Job Control Number (JCN) billing system; and other professional and specialized services. These costs were offset by a decrease in vehicle rental and maintenance charges based on lower rates and the decreased usage of inter-office mail delivery charges from purchases and other reductions in services and supply costs.

The increase in revenue in 2005-06 is primarily due to an increase in other financing sources to fund estimated MOU salary cost; an increase in outside county maintenance service contracts for electronic maintenance of communication systems and radios; telephone services due to dailtone rate increase approved by the Board on March 1, 2005. These costs are offset by the reduction in the 800 Megahertz (MHz) electronic maintenance and telegraph revenues and reduction in long distance service.

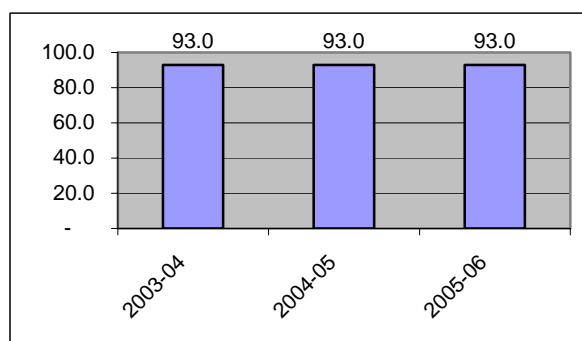


## 2005-06 BREAKDOWN BY EXPENDITURE AUTHORITY

## 2005-06 BREAKDOWN BY FINANCING SOURCE



2005-06 STAFFING TREND CHART



There is no revenue over/(under) bar graph since this budget unit has built a balanced budget for the past three years.

GROUP: Administrative/Executive  
DEPARTMENT: Information Services  
FUND: Network Services

BUDGET UNIT: IAM ALL  
FUNCTION: General  
ACTIVITY: Telephone & Radio Services

	2004-05 Actuals	2004-05 Final Budget	2005-06 Board Approved Base Budget	2005-06 Board Approved Changes to Base Budget	2005-06 Final Budget
<b>Appropriation</b>					
Salaries and Benefits	7,497,144	7,599,115	8,301,118	(43,177)	8,257,941
Services and Supplies	7,681,519	7,098,645	6,959,867	179,676	7,139,543
Central Computer	49,040	53,533	55,812	-	55,812
Other Charges	6,043	32,345	32,345	(26,301)	6,044
Transfers	1,715,756	1,715,317	1,715,317	40,868	1,756,185
Total Exp Authority	16,949,502	16,498,955	17,064,459	151,066	17,215,525
Reimbursements	(1,233,251)	(1,233,251)	(1,233,251)	65,225	(1,168,026)
Total Appropriation	15,716,251	15,265,704	15,831,208	216,291	16,047,499
Depreciation	766,865	1,113,442	1,113,442	(236,222)	877,220
Operating Transfers Out	1,006,900	-	-	-	-
Total Requirements	17,490,016	16,379,146	16,944,650	(19,931)	16,924,719
<b>Departmental Revenue</b>					
Fines and Forfeitures	1,455	-	-	-	-
Use of Money and Prop	15	114	114	36	150
Current Services	17,039,043	16,379,032	16,379,032	114,781	16,493,813
Other Revenue	18,073	-	-	-	-
Other Financing Sources	18,548	-	-	430,756	430,756
Total Revenue	17,077,134	16,379,146	16,379,146	545,573	16,924,719
Revenue Over/(Under) Exp	(412,882)	-	(565,504)	565,504	-
Budgeted Staffing		93.0	93.0	-	93.0
<b>Fixed Assets</b>					
Equipment	317,393	1,600,000	1,600,000	-	1,600,000
L/P Equipment	310,189	506,886	506,886	(251,479)	255,407
Total Fixed Assets	627,582	2,106,886	2,106,886	(251,479)	1,855,407



DEPARTMENT: Information Services  
 FUND: Network Services  
 BUDGET UNIT: IAM ALL

BOARD APPROVED CHANGES TO BASE BUDGET

Brief Description of Board Approved Changes		Budgeted Staffing	Appropriation	Departmental Revenue	Revenue Over/ (Under) Exp
1.	Salary & Benefits Expenditure projection reduced by (\$53,877) to reflect current usage trend in overtime, on-call and stand-by.	-	(43,177)	10,700	53,877
<b>** Final Budget Adjustment - Mid Year Item</b> <b>Increase in costs of \$10,700 in appropriation and revenue related to the Clerical Classification Study Approved by the Board on April 5, 2005 #67.</b>					
2.	Services & Supplies • Increase of \$223,118 in expenditures for communication repair parts required to maintain Network Services communication systems infrastructure. • Increase of \$152,190 in systems development charges due to the replacement of JCN billing system and other professional and specialized services expenditures are increased based on current professional support of telephone and network systems requirements. • Increase of \$35,549 for rents and leases of microwave sites for recently negotiated leases and miscellaneous equipment rental including office copiers. • Decrease of \$235,770 in vehicle rental and maintenance charges resulting from lower rates and usage. • Increase of \$96,280 in equipment and building maintenance services due to general maintenance increases for equipment and building repair. • Decrease of \$32,226 in Risk Management charges for general liability and property insurance coverage. • Decrease of \$25,919 in one-time purchases of non-fixed asset equipment and small tools. • Decrease of \$9,229 in consumable office supplies and specialized services and increased employee training. • Decrease of \$24,317 in usage of inter-office mail delivery from Purchasing.	-	179,676	-	(179,676)
3.	Other Charges Multiple lease-purchase loans were fully paid in fiscal year 2004-05 resulting in a decrease in ongoing interest expense.	-	(26,301)	-	26,301
4.	Depreciation Equipment depreciation expense reduced to reflect fixed assets being fully depreciated.	-	(236,222)	-	236,222
5.	Transfers Increase is due to an increase in centrally funded administration and fiscal support staff salaries and benefits.	-	40,868	-	(40,868)
6.	Reimbursements Decrease to show reduction in employees for which costs are reimbursed.	-	65,225	-	(65,225)
7.	Revenue • Revenue increase of \$337,216 due to projected increase in outside county maintenance service contracts for electronic maintenance of communication systems and radios. • Increase of \$94,004 in telephone services revenues due to dailtone rate increased approved by the Board of Supervisors on March 1, 2005. • Projected service increase of \$24,307 in dispatch console maintenance, 800MHz radio and pager access. • Anticipated decreases of \$312,747 in 800 MHz electronic maintenance and telegraph revenues. • A long distance usage reduction of \$38,699 due to a projected reduction in these services. • Projected increase of \$36 in sale of county telephone directories. • The use of \$430,756 in operating reserves to fund operating costs not included in rate adjustment for 2005-06 MOU, retirement and workers compensation and related costs.	-	-	534,873	534,873
<b>Total</b>		-	(19,931)	545,573	565,504

BOARD APPROVED CHANGES IN FIXED ASSETS

Brief Description of Board Approved Changes		Appropriation
1.	Fixed Assets lease Purchases Numerous lease-purchase loans were fully paid in fiscal year 2004-05 resulting in a decrease in ongoing principal payments.	(251,479)
<b>Total</b>		(251,479)

**\*\* Final Budget Adjustments were approved by the Board after the proposed budget was submitted.**

